



July 23, 2012

Ms. Kimberly Bose
Secretary
Federal Energy Regulatory Commission
888 1st Street, N.E.
Washington, D.C. 20426

Re: SEIA Comments on Final Rule on Integration of Variable Energy Resources (Docket No. RM10-11-000; Order No.764)

Madam Secretary;

The Solar Energy Industries Association (SEIA), the national trade association of the United States solar industry, applauds the Commission for issuing Order No 764 regarding Integration of Variable Energy Resources (“VERs”) into the electric grid. The rule is a key step toward achieving the integration of VERs such as solar power into the wholesale power market on a just and reasonable basis. SEIA appreciates the leadership shown by the Commission on this matter and does not seek rehearing of the Order.

SEIA thanks the Commission for the requirement that all transmission providers subject to the Commission’s jurisdiction offer intra-hour scheduling of transmission service at 15-minute intervals. This option will allow VER generation resources to change transmission schedules based on knowledge that its generation output will change within the hour. Doing so will reduce transmission costs and generator imbalance changes.

SEIA also supports the requirement that new VERs 20 MW and larger provide meteorological and forced outage data to their transmission provider to be used for power production forecasting services. Such forecasting can make it easier for transmission providers to manage VER generation variability through unit dispatch modifications in some cases rather than through regulation reserves.

As far as the Commission’s decision not “to modify the *pro forma* OATT to include a new schedule 10 governing generation regulation service..” SEIA has no objection at this time. Going forward SEIA intends to explore the question of whether the diurnal characteristics of solar generation can minimize the need for and cost of generation regulation service for solar.

Finally, notwithstanding the great strides forward taken by the Commission in this rule, SEIA believes it is important for the Commission to acknowledge that there are many causes of grid instability that have no connection whatsoever to the deployment and operation of variable renewable generation resources such as solar and wind. For example, a coal-fired or nuclear power plant can unexpectedly trip off for many different reasons. In such an instance the generation/load balance is generally maintained through the activation of spinning reserves and other means. That is not to say that the generation and operating characteristics of a solar power plant are the same, or even similar to, that of a “baseload” coal plant. They are not. However, these differences do not obscure the fact that a solar

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generator is often required under current policies and practices to bear the costs of necessary balancing services, whereas the cost of spinning reserve in support of a fossil or nuclear plant is typically assigned to load, not generation. Going forward SEIA encourages the Commission to work to establish a truly level grid integration playing field, where all power generation technologies that impact grid instability are treated in a consistent and just and reasonable manner.

Thank you for your consideration of these comments.

Best Regards,

A handwritten signature in blue ink that reads "Daniel M. Adamson". The signature is written in a cursive style with a long, sweeping underline.

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